

**BOARD OF HOME INSPECTORS
MEETING MINUTES
October 10, 2017**

A regular meeting of the Board of Home Inspectors was held at 10200 Linn Station Road in Louisville, Kentucky on October 10, 2017.

MEMBERS PRESENT

Welford “Bud” Wenk
Mitch D. Buchanan
Brian O’Rear

KENTUCKY REAL ESTATE AUTHORITY

Shelly Saffran, Administrative Coordinator
Ryan Morrison, General Counsel
Michael Elmore, Executive Director
Lara Thompson, Executive Assistant

MEMBERS ABSENT

None

GUESTS

Steve Keeney, Esq. (PLI)

CALL TO ORDER

Board Chair Bud Wenk called the meeting to order at 10:05 a.m.

APPROVAL OF MINUTES

Motion was made and seconded to approve the regular September 10, 2017 meeting minutes. The motion carried.

LICENSURE REPORT (as of 10/08/17)

- Active Licensees – 461
- Inactive Licensees - 6
- Pending Licensees - 9

BOARD CHAIR REPORT

Chair Wenk said he does not have any comments at this time.

BOARD COUNSEL REPORT

General Counsel Morrison said he is aware of one complaint and that he will have additional information to report at the next meeting.

CASE STATUS REPORT

There were no cases on the Agenda for Board action.

BOARD MONTHLY FINANCIAL REPORT

Administrative Coordinator Saffran presented the Board of Home Inspector financials. Board Member Buchanan inquired about the expense of \$899. Ms. Saffran reported that a scanner was purchased for the Board of Home Inspectors

KENTUCKY REAL ESTATE AUTHORITY REPORT

Executive Director Elmore said he has only been on the job for a few days. He said if anyone has questions, he will get answers. He said his background has been in real estate all his life as well as auctions. He said he was from Glasgow and also has experience with commercial developments.

BOARD ADMINISTRATIVE COORDINATOR REPORT

Administrative Coordinator Saffran reported that she did not have anything formal to report in light of the time needed to get through the regulation review process.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

There was no new business to discuss.

NEWSLETTER COMMITTEE REPORT

Chair Wenk said he knows there is a real need for a newsletter. He said he attended the Kentucky Real Estate Inspector Association Conference recently and spoke to about 130 home inspectors. He said he explained the Kentucky Real Estate Authority and the structure. He said he reminded them to update their eservices account. He asked Ms. Saffran to send out a mass email to home inspectors about updating their account.

It was also discussed that Mr. Brian O'Rear was going to appear before the Kentucky Real Estate Commission to discuss problems with home inspectors not being allowed access to certain properties.

EDUCATION COMMITTEE REPORT

The Education Committee made the following recommendations:

- InterNACHI Continuing Education Courses
 - Inspecting Kitchen Appliances – *Denied*
 - A Guide to Architectural House Styles – *Denied*
- KY Real Estate Inspectors Association Continuing Education Course Provider – *Approved*

The recommendations to deny the two InterNACHI courses and approve the KY Real Estate Inspectors Association Continuing Education Course Provider were seconded and the motion carried.

APPLICATIONS COMMITTEE REPORT

The Applications Committee recommended the following:

- Four (4) initial applications were reviewed and three were approved. We recommend three and defer the fourth. Once he submits his paperwork he can be licensed. This is old stuff - ***approved***. Two (2) needed additional paperwork and when that is received the recommendation was made and seconded to accept the eleven applications. The motion carried.
- Four (4) renewal applications were reviewed and were ***approved***. The recommendation was made and seconded to approve the three renewal applications. The motion carried.

START HERE

New notes, 3 renewals – all approved.

Applications looked at 9 – approve 8, defer one because of ASHI school lack of hours,

Page 15, Section 4 – rewrite to make it clear that any advertisement placed by a home inspector shall bear the license number.

Add to page 18 #22 add – engage in activities that may harm the public, discredit themselves or reduce public confidence in the profession.

REGULATION REFORM

This is the way the regulation is presented now and some suggested changes. Nothing gets out of this room without you all approving it. Once board is comfortable, then it will go to the cabinet level for their attorney to review and then the governor reviews it, then it would come back to the board, if you are not comfortable you do not have to approve them. Then they will go to director Elmore for his review. Once he approves them, then they will go to LRC for their review and to a committee of the legislature. A lot of hands will touch it. I sent you the way that they are now. I also sent some changes with respect to fee schedule. The distance education, under board regulations, there is no internet learning. Ryan – I suspect this distance education may be to allow something like that. Bud – the thought of the board back in 2015 was because there were no controls as far as having a hard time. Our regulation is specific that you have to have field training. If we are doing it all on line, how do you do it. A lot of places

Strike the photo requirement

Discussion regarding the E&O insurance and whether it should be required. Steve – federal government calls it the nudge, in January Larry Brown wanted to get home inspectors into the real estate group. Finding a carrier. Larry said he would work with the carrier. This board would get a lot of approval from home inspectors, we got you E&O for \$140 a year. Steve – I have lots of new guys who can't support it. Steve, I don't think it is accurate. I think if you put out an RFP, you would get the same numbers. Mitch – if we had evidence. Steve – the way to do it is to assign someone to get it done. Have

shelly contact E&O to see if we can get some interest. See if Cindy Grissom will give us a quote about the possibility of E&O.

Brian – suggested changing the optional affidavit to allow for felony or misdemeanor convictions. It will keep someone from applying to get a license and then turn around and take their license.

Work on getting the FBI process changed to realign with the real estate commission process.

.712 3 d – add name of licensee to certificate of insurance – refer to statute number a certificate of insurance. Add to the regulations – and names the licensee as the insured.

Move subsection (b) applicant has resided in another state in the last five years to a section more appropriate.

Remove line 19-27 on page 3. Which starts, the applicant shall follow:

Page 4 – statute reference of law courses – its own line for 3 hours

Report writing on its own line – 3 hours

Standards of practice – 3 hours – the other three can be covered as the school chooses. 12 hours need to stay in there.

Add the home inspection report requirement to the form.

Page 4 line 16, (9) will be one sentence that combines (9) and (a) and strikes (b)(c).

Section 10 line 21-28 is going to be moved to a criminal background section.

Page 5, line 15 – reduce the fee by \$100. To \$150.

After a licensees, 5th year of licensure, submit a home inspection report – page 6, line 2.

Page 6 – renewal fee of \$150 –

Move 4 to (b) on line 18 of page 17.

Look at page 8, line 9 – can they still submit their renewal and CE late.

Page 9 – line 11-12 – remove figure and refer to KRS

Page 9 – remove 17 and 18

Page 9 – remove line 25

Page 9 – mirror the CE hours for reactivation with the same of CE hours

Page 11 – changing the address of the board.

Page 25, line 25 – remove section 7

Page 26, line 20 – get rid of Frankfort, put Louisville address

Page 27 – put Louisville address

Page 28 – make the change if it is not already made

KBHI5

Change address

Add: course name, hours requested – look at my notes

Writing courses, pre-licensing and on-sight home inspections - these must be removed from the proposed distance education regulation.

TRAVEL AND PER DIEM

A motion was made and seconded to approve the travel and per diem for board members attending today's meeting. The motion carried.

NEXT MEETING

The next meeting is scheduled for Tuesday, October 10, 2017, at 10:00 a.m., at the Kentucky Real Estate Commission office at 10200 Linn Station Road in Louisville, KY.

PUBLIC COMMENTS

Patton – the requirement for teaching manufactured housing, since that is no longer available, how does the board address that in the future. Currently, you are limited to j Jackson was not allowed to be the teacher. I am asking now, what is the requirement since you cannot achieve what is in the regulations. Bud – to become an instructor for manufactured housing. Bud – we are going to have to leave it the way it is. We will have to try and correct it. The board does not have any latitude without that stipulation in there. It is in the regulation that way. Since the course is no longer offered and we do not have anyone applying for it because you cannot achieve the requirement. Mitch – if you have a presenter at one of these conferences, the organization could waive or modify a different training to teach that course. Patton- put it back through again since the situation has changed.

Keeney – no comments – I think it may be worth remembering that the three tests and you are out, it is more forgiving than the original regulation.

COMPLAINTS COMMITTEE REPORT

There were no cases on the Agenda for Board action.

ADJOURNMENT

A motion was made and seconded to adjourn the meeting. The motion carried.

Minutes prepared by Board Administrator, Shelly Saffran, on October 10, 2017.